



ASX ANNOUNCEMENT

16 October 2012

COMPANY SNAPSHOT

LODESTAR MINERALS LIMITED
ABN: 32 127 026 528

CONTACT DETAILS

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CAPITAL STRUCTURE

Shares on Issue:
116,489,477 (LSR)

Options on Issue:
4,750,000 (Unlisted)

ASX: LSR

PROJECTS

Peak Hill – Doolgunna:
Base metals, gold

Penfold:
Nickel

Kimberley:
Nickel, copper, PGM's



INVESTOR PRESENTATION

Please find attached a copy of a presentation to investors being given in Perth today.

The presentation will also be available on the Company's website:
www.lodestarminerals.com.au

David McArthur
Director



LODESTAR
MINERALS

Delivering Results in an Emerging Copper Province

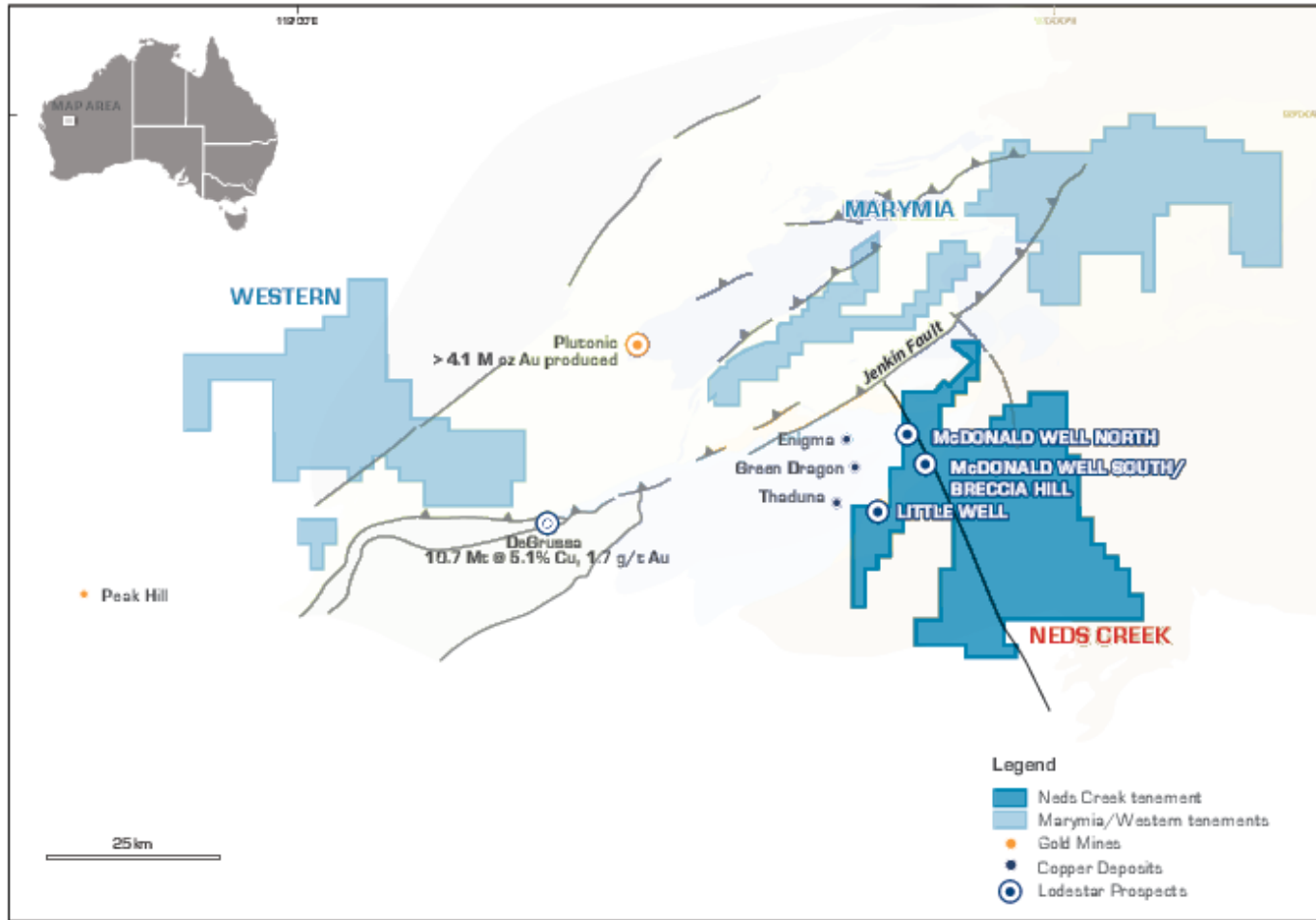
October 2012

Forward Looking Statements

Forward Looking Statements: This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Lodestar Minerals' exploration program and other statements that are not historical facts. When used in this document, the words such as “could”, “plan”, “estimate”, “expect”, “intend”, “may”, “potential”, “should” and similar expressions are forward-looking statements. Although Lodestar Minerals believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

JORC Compliance

The information in this report to which this statement is attached that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Bill Clayton who is a member of the Australian Institute of Geoscientists. Bill Clayton is a full-time employee of the Company. Bill Clayton has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the “Australasian Code for the reporting of Exploration Results, Mineral Resources and Ore Reserves”. Bill Clayton consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

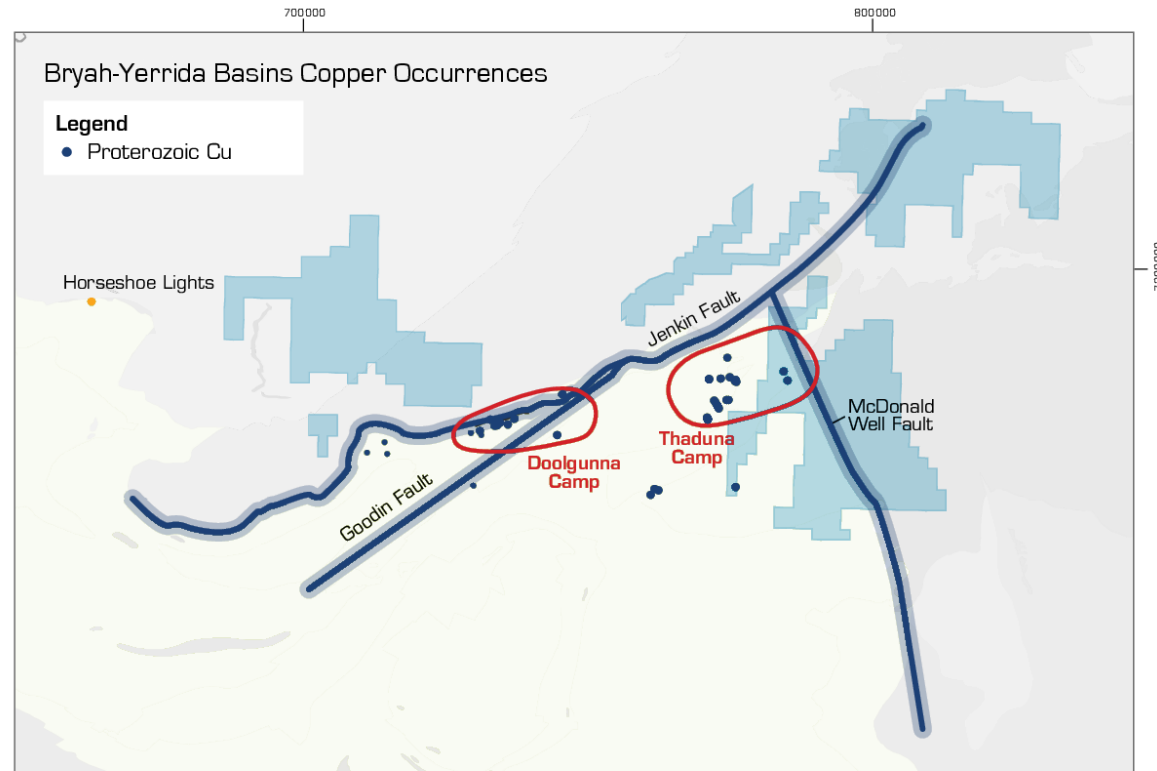


- Largest land position – Jenkin Thrust Zone & McDonald Well Fault
- Proximity to recent discoveries in similar geological terrain
- Developing exploration targets – basin margins, structures & domain boundaries

Largest land position on key regional structures

Tectonic Margins - Key to Base Metal Exploration in the Yerrida Basin

- **DeGrussa and Thaduna**: base metal camps developing at tectonic margins to the Yerrida Basin
- **Jenkin and McDonald Well Faults** define northern and eastern tectonic margins
- Global precedents for development of **world class base metal camps at tectonic margins of Proterozoic basins**
- Lodestar holds a **key tenement position** along the eastern tectonic margin to the Yerrida Basin



Widespread copper mineralising event associated with basin margins

Neds Creek – Part of the Thaduna Camp

■ TECTONIC MARGIN

- Eastern margin of the Yerrida Basin
- Growth fault - a focus for hydrothermal fluids

■ MAJOR MINERAL SYSTEM

- Fault controlled mineralisation is characteristic of the Thaduna Camp

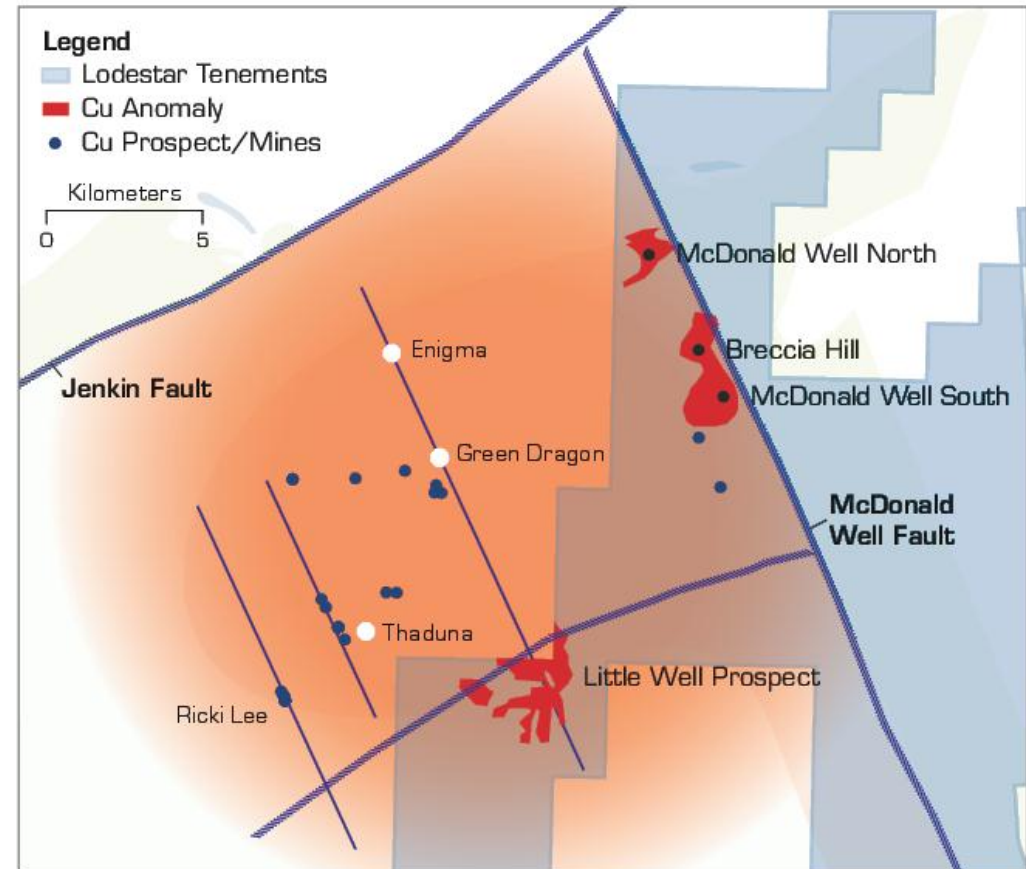
■ MCDONALD WELL PROSPECTS

- Copper anomalies associated with a major structure

■ LITTLE WELL PROSPECT

- Copper gossan identified
- Extensive, high order copper in soil anomaly

Thaduna Copper Camp

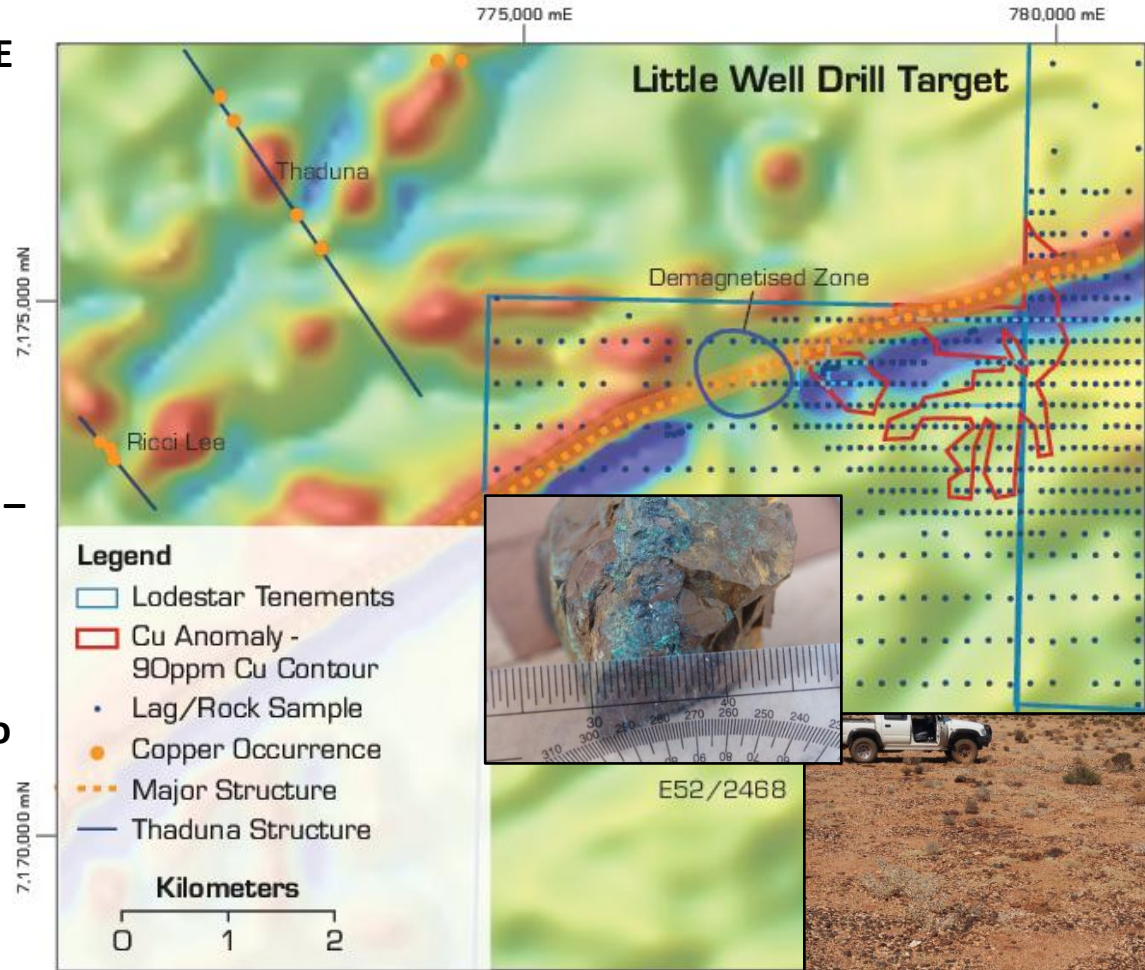


Extensive copper anomalies located within a mineralised camp

Little Well Prospect

- Copper gossan identified 3.6km SE of Thaduna
- 100m strike – further assays awaited, mapping and sampling continuing
- Situated on major structural ENE break within de-magnetised zone – alteration?
- Hydrothermal breccia association with rock samples reporting up to 1280ppm Cu
- 1.5km x 1km lag anomaly

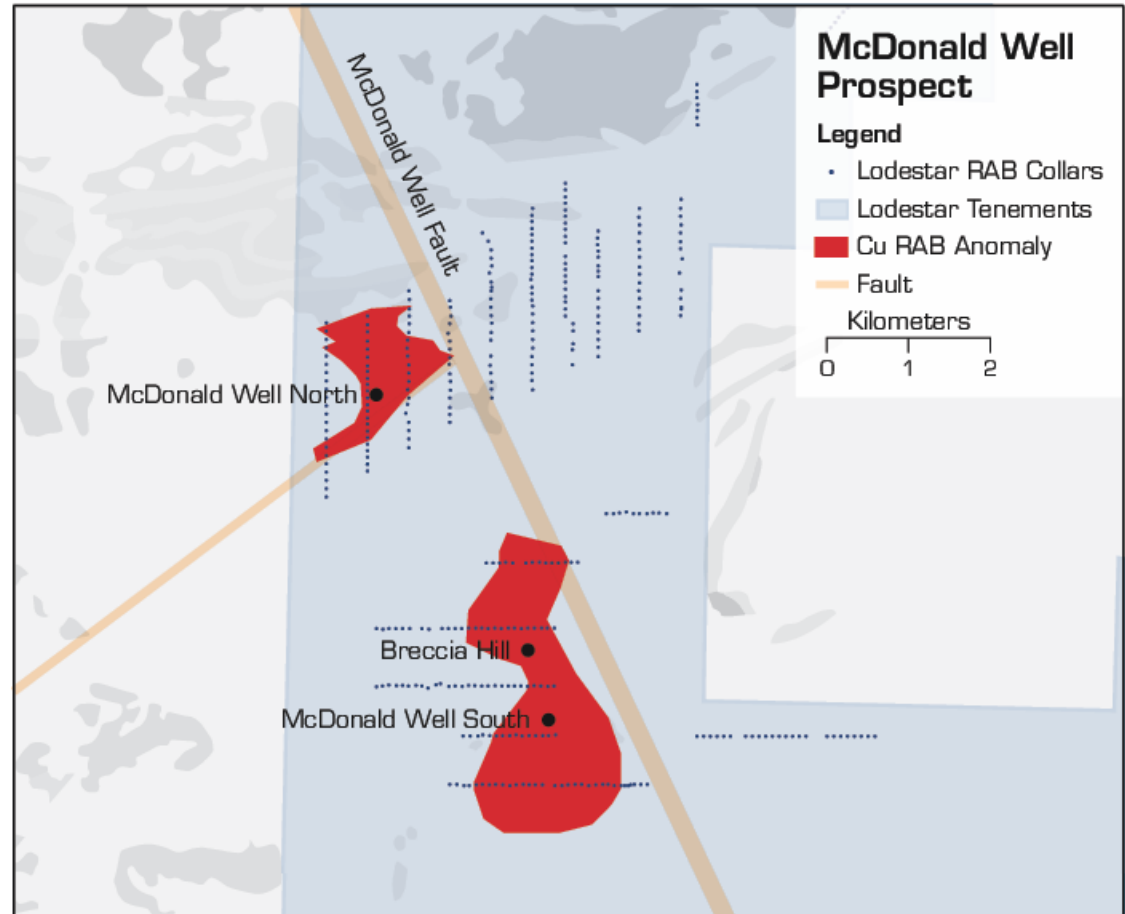
Next Step: Air Core Drilling



Untested Copper gossan identified within Thaduna magnetic unit

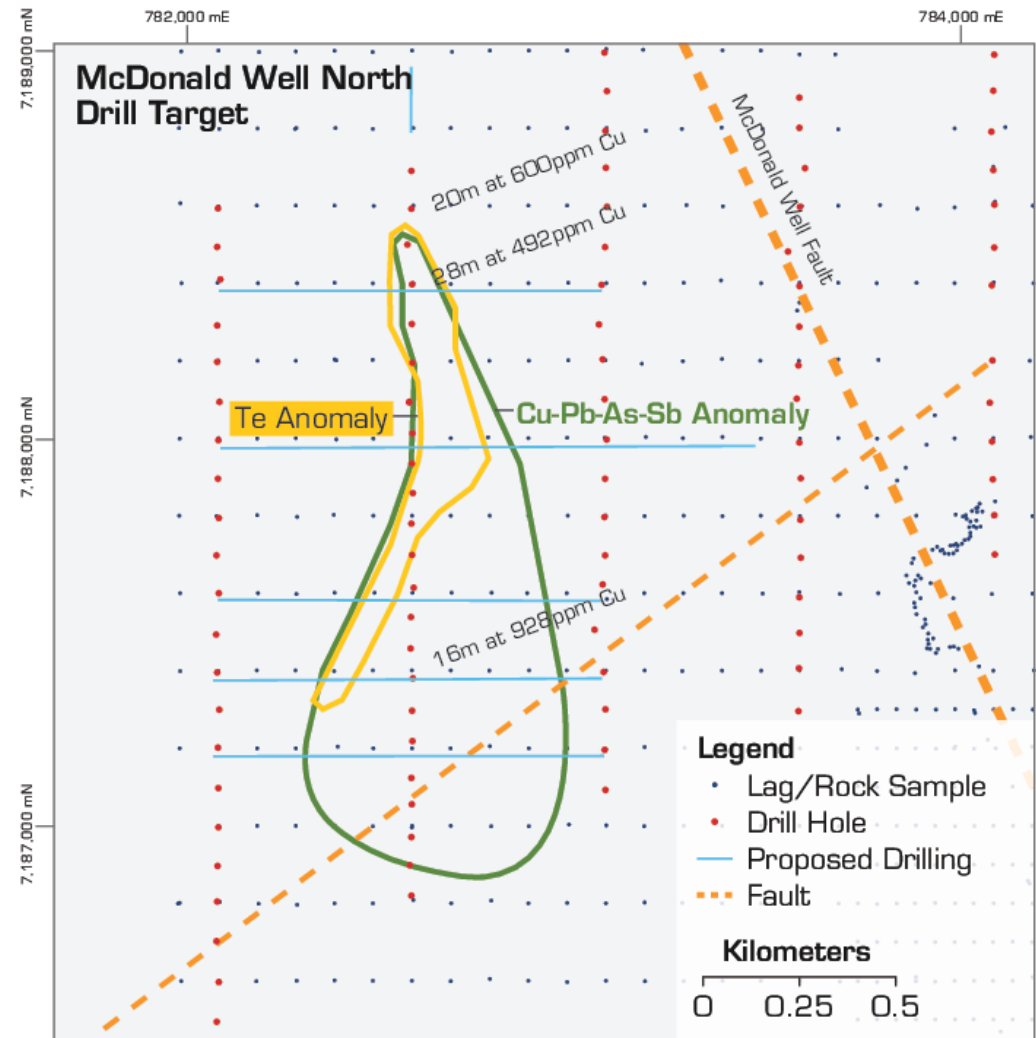
McDonald Well – First Pass Drilling

- Strongly anomalous copper in two areas extending over 7 kms
- Aircore drilling - max intercepts in broad spaced drilling:
 - 30m @ 629ppm Cu
 - 10m @ 1160ppmCu
 - 7m @ 1258ppm Cu
- Associated with hydrothermal brecciation in black shales & dolomites



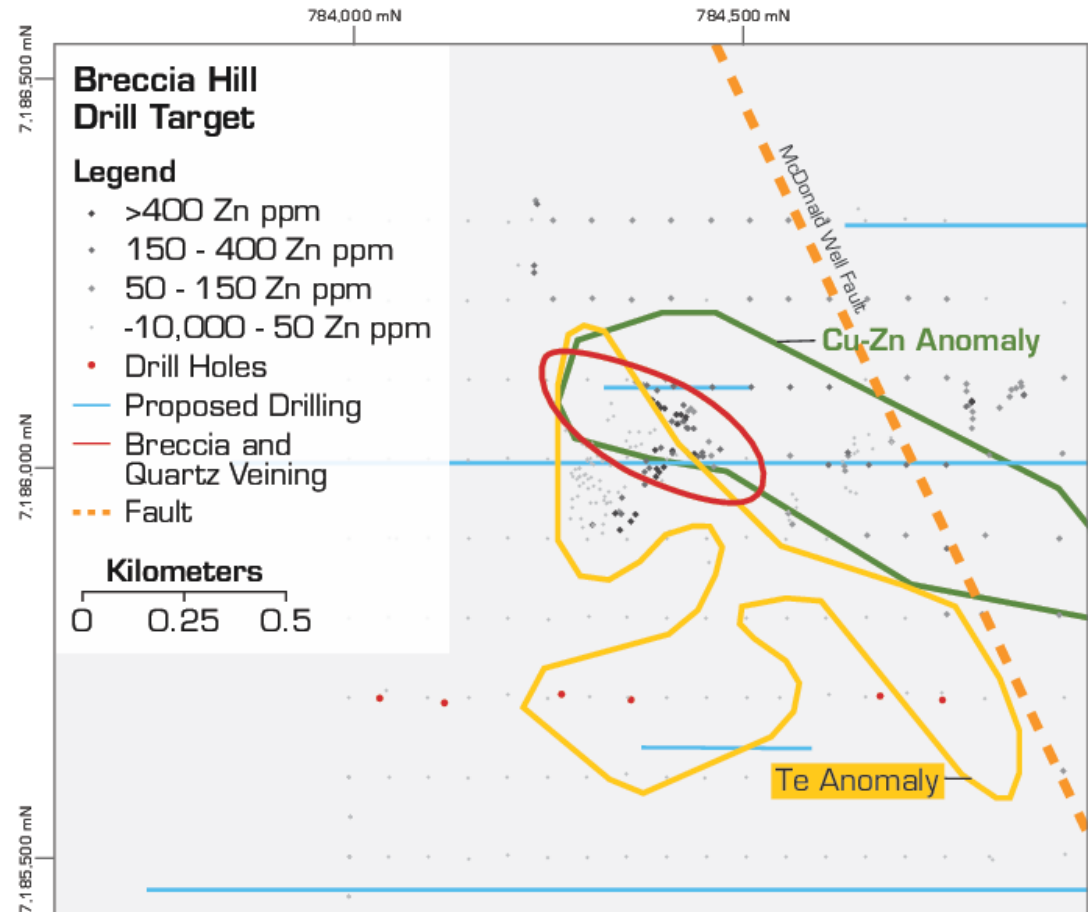
Emerging as one of the best undrilled base metal targets in the Yerrida Basin

- Strongly anomalous copper in drilling
- Blanket-style distribution over 1,000m strike
- Lag sampling defines 1600m x 800m Te, Pb-As-Sb associated with elevated copper
- Geochemical evidence suggests structural control parallel to earlier first-pass drilling



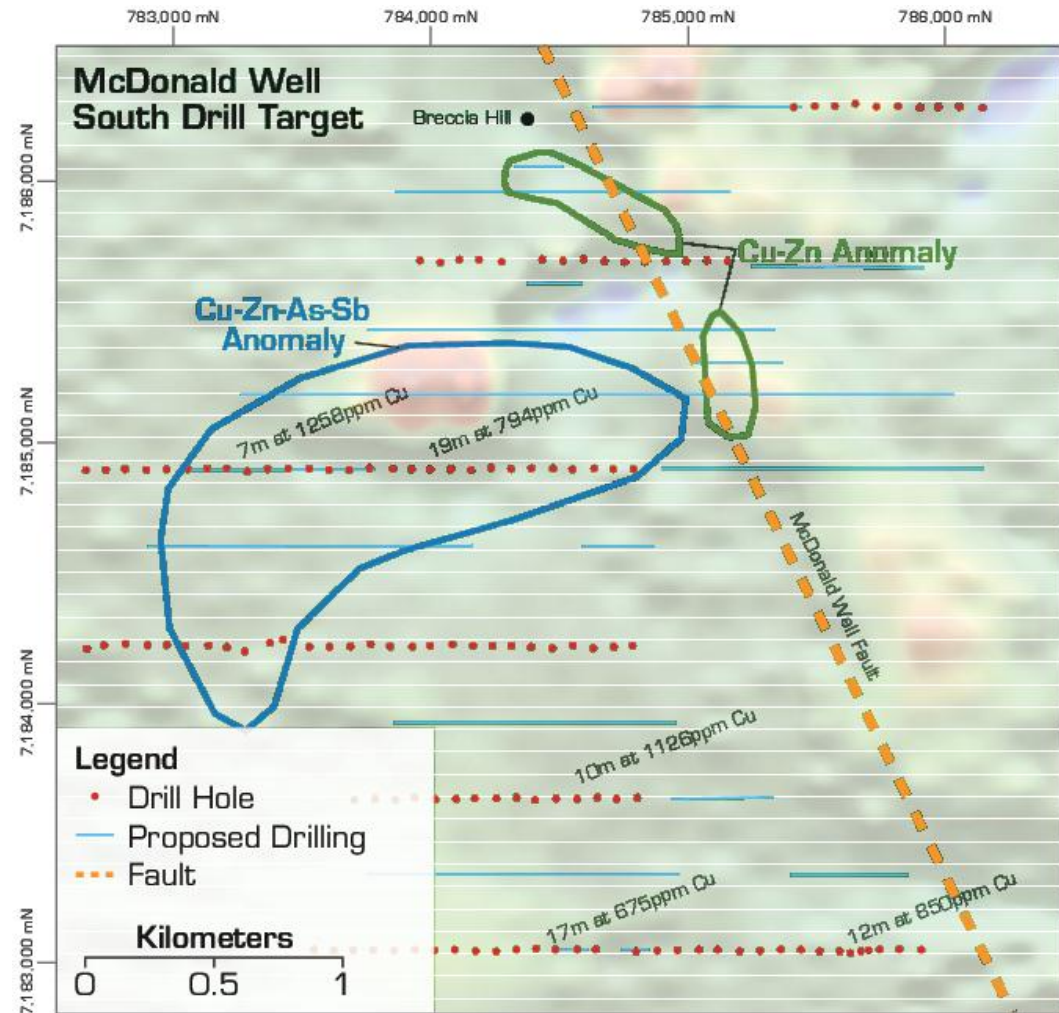
Large copper anomaly located at major structural break

- Area of Cu-Zn anomaly extending over McDonald Well Fault
- 800m x 200m Cu-Zn anomaly defines a north west trending zone with evidence of veining and hydrothermal breccias
- Rock values up to 410ppm Cu
- Drilling will test beneath the outcrops and extend over the McDonald Well Fault



Base metal anomalies associated with veins and breccia in shale

- Large 2000m x 800m Cu-Zn anomaly extending from McDonald Well Fault over magnetic anomaly
- Numerous anomalous copper intercepts in first-pass drilling
- Anomaly traverses the geological sequence of shale, black shale & dolomite
- Best intersection in drilling - 7m at 1298ppm Cu, end of hole 1m at 1890ppm Cu (in dolomite)
- Drilling will test multiple targets



Extensive strong copper anomaly developed on prime structural position

- **Little Well Prospect**
 - POW and Heritage Approvals
 - First stage aircore drilling planned
 - RC drilling

- **McDonald Well and Breccia Hill Prospects**
 - Prospect scale mapping and sampling
 - POW and Heritage Approvals
 - Aircore/RC drilling

- **McDonald Well Fault**
 - Extend reconnaissance geochemistry along the 40km strike within Lodestar's tenements (currently unexplored)

Aircore/RC drilling and on-going drill target generation/definition

Timeline to Deep Drilling

- Sustained exploration programme to be maintained - drill testing of Neds Creek copper targets in December quarter**

ACTIVITY	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12
Neds Creek surface geochemistry							
Assay results Neds Creek geochemistry							
Phase 2 drilling Neds Creek							
Assay results - Neds Creek drilling							
Regional drilling – Little Well							
Assay results – Little Well							
Regional geochemistry – Neds Creek							
Assay results regional geochemistry							

A Near Term Re-Rating Opportunity



- **Neds Creek: results to date comparable to early results of discovery explorers in this province**
- **Re-rating on success can be significant as demonstrated by Sandfire, Sipa and Ventnor Resources. Aircore & RC drilling provides a near term re-rate opportunity**

COMPANY	COMMODITY	STATUS	ENTERPRISE VALUE \$M
Sandfire	Cu-Au	Mining	1,325
Sipa	Cu	Exploration	38
Ventnor	Cu	Exploration	27
Lodestar	Cu-Au	Exploration	4

Providing some of the best leverage to exploration success in the Doolgunna region

- **PRIME GEOLOGICAL SETTING – ANALOGOUS TO MAJOR PROTEROZOIC BASE METAL PROVINCES**
- **IMPORTANT GEOLOGICAL SIMILARITIES BETWEEN DOOLGUNNA AND THADUNA CAMPS**
- **NEDS CREEK AREA DEVELOPING AS A MAJOR REGIONAL COPPER TARGET**
- **DRILL TESTING AT NEDS CREEK AND LITTLE WELL IN DECEMBER QUARTER**
- **ADDITIONAL TARGETS LIKELY FROM EXPLORATION CURRENTLY UNDERWAY**

Deeper drill testing of Neds Creek targets set to commence

ASX code	LSR
Issued Capital	116.5 million shares 4.75 million unlisted options
Cash	\$0.3 million
Market capitalisation @ \$0.04	\$4.6 million
Top 20 Shareholders	44%
Board and Management	Tim Clifton(Chairman) Bill Clayton (Managing Director) David McArthur Mark Pitt Paul Cranney (Consultant)



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